

**Heads of Planning Scotland Response**  
**Accelerating home-building in Scotland**  
**30<sup>th</sup> April 2026**

Heads of Planning Scotland (HOPS) is the representative organisation for senior planning officers from Scotland's local authorities and national park authorities.

This consultation response summarises key points made by the HOPS committees. We note that there will be differences of opinion between the HOPS response and individual planning authority responses in some cases.

HOPS would be happy to discuss any planning issues further.

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**Option 1: Introduce fiscal measures to tackle inactivity or slow build-out**

**1. Could fiscal incentives offering relief to other charges help to accelerate build-out rates? Yes/No/Unsure. Please explain your answer.**

Unsure

There was no clear consensus from planning authorities that fiscal incentives would significantly accelerate housing build-out rates. Some planning authorities consider that incentives could play a role where they are structured to encourage delivery rather than penalise delay.

Planning authorities have emphasised that housing delivery rates are primarily influenced by wider economic and structural factors. These include prevailing interest rates, infrastructure capacity and timing, availability of development finance for affordable housing, market demand, and developer cash flow. In this context, it is generally considered that fiscal incentives would need to be substantial and sustained in order to materially influence delivery decisions.

Planning authorities also raise concerns regarding administrative burden and unintended consequences associated with fiscal incentive regimes. These include the risk of discouraging land promotion or the submission of planning applications, as well as challenges related to design, monitoring, and equitable application across different development contexts.

**a. Which charges / taxes / levies could the incentives be applied to? Please explain your answer.**

Existing taxes and charges are seen as the most realistic options for applying fiscal incentives. Land and Buildings Transaction Tax (LBTT) and the proposed Scottish Building Safety Levy (SBSL) were seen as the best routes.

Planning authorities have cautioned that relief applied to national taxes is unlikely to influence build-out rates unless set at a significant level. LBTT relief is generally seen as more likely to affect demand or affordability rather than developer behaviour, while SBSL is regarded as having a specific, ring-fenced purpose that limits its suitability as a general delivery incentive.

Several authorities also refer to council tax-based mechanisms, planning related charges, and vacant and derelict land focused approaches as potential levers. These are viewed as offering greater local

relevance and wider regeneration benefits, particularly where flexibility can be retained to reflect differing market conditions. However, concerns remain around complexity, timing, administrative burden, and the risk of deterring sites from coming forward.

**b. Should relief be in the form of full exemptions or variable rates? Please explain your answer.**

Variable rates including the option of full exemption, rather than blanket exemptions applied uniformly. Flexibility was viewed as essential to reflect differences in site viability, local housing markets, and development constraints. This will ensure incentives are targeted where they are most likely to influence delivery.

**c. Could a tax impact differently on different types of land owners? Please explain your answer.**

Any tax would impact differently across landowner types, and a uniform approach risks being legally complex and counterproductive. Differences in ownership scale, financial resilience, development intent, and control over delivery are widely seen as critical in shaping both impacts and behavioural responses.

Many respondents highlight that larger landowners and estates, particularly in rural housing markets, are often less responsive to increased holding costs, with land retained for long term asset or operational reasons. By contrast, smaller landowners, SMEs, and site promoters are seen as more vulnerable, especially where significant upfront costs have already been incurred.

A consistent distinction is drawn between landowners and developers. Landowners often have limited influence over build-out rates once land is sold or under option. Developers are constrained by market conditions, funding availability, infrastructure provision, and utility connections. Taxing either party for delays linked to such factors was widely viewed as unreasonable and unlikely to accelerate delivery.

Some authorities distinguish between speculative promotion without delivery intent and land brought forward with a clear prospect of development. While there is limited support for targeted measures to discourage purely speculative behaviour, this is conditional on clear definitions, proportionality, and safeguards to avoid deterring legitimate site promotion through Local Development Plans.

**d. Please provide any evidence of how fiscal measures linked to other charges would impact development finance to influence build-out rates**

HOPS do not hold any direct evidence demonstrating how fiscal measures would influence build-out rates.

**2. Should we introduce a tax on sites which have been allocated for residential development and/or have permission for homes, but are not being built out as expected, as set out in option 1? Yes/No/Unsure. Please explain your answer.**

Unsure.

HOPS note mixed views on this question and would defer to individual planning authorities' responses for local context.

A tax was viewed as a blunt instrument with a high risk of unintended consequences. Concern was raised around defining unreasonably slow build-out, establishing liability between landowners and developers, and managing exemptions without creating legal risk or excessive administrative burden.

Slow build-out is primarily driven by structural and market factors beyond the direct control of landowners or developers. These include interest rates, access to development finance, infrastructure and utilities constraints, grant availability, particularly for affordable housing and market absorption rates. In this context, taxing sites is seen as unlikely to change behaviour and potentially unfair where delays arise from factors outside of the developer or landowners' control.

A tax to allocated sites could discourage land from being promoted through Local Development Plans, while taxing consented sites could deter planning applications, delay discharge of conditions, or encourage inefficient development patterns.

There could be limited scope for taxation in defined circumstances, such as long-standing stalled sites with no delivery intent or land held purely for speculative value.

**a. Should this apply to allocated sites, sites with permission, or both? Allocated sites/Sites with permission/Both. Please explain your answer.**

Sites with permission.

Planning authorities were generally not in support for a blanket application of a tax across both allocated and permitted sites. If it was to be done there is preference to exclude allocated sites entirely.

Allocation does not equate to deliverability, with many sites constrained by viability, infrastructure requirements, funding availability, or market conditions. Taxing allocated land was viewed as counterproductive, with clear risks to plan-led delivery through discouraging land promotion and reducing future housing land supply.

Sites with planning permission has a more logical focus, given that planning acceptability has been established. Authorities note that build-out remains subject to conditions, infrastructure and utilities provision, access to finance, and market absorption, many of which sit outside the direct control of landowners or developers. There is concern that taxing permitted sites could deter applications, delay condition discharge, or encourage fragmented approaches to development.

**b. How should the tax be calculated? Please explain your answer.**

HOPS note mixed views on this question and would defer to individual planning authorities' responses for local context.

Any approach would need to be proportionate, locally sensitive, and targeted, rather than based on a fixed national formula.

Many authorities noted that any tax should be set at the minimum level required to influence behaviour rather than to raise revenue. If rates are set too high, it could render marginal or infrastructure dependent sites unviable.

A tax may have implications to the planning authority in terms of resourcing and with legal risks associated with valuation. Independent valuations could be costly, open to challenge, and administratively burdensome.

**c. Who should be required to pay the tax? Please explain your answer.**

It may be difficult to identify a single appropriate party to be liable for any tax. Concerns were raised that liability does not align with control over build-out, and that imposing a tax on the wrong party would be unjust and ineffective. The lack of clarity about who should pay is seen as a weakness of a tax-based approach. Liability could discourage land promotion, planning applications, and investment, ultimately slowing housing delivery rather than accelerating it.

**d. Should the tax operate as a local or a national tax? Local tax/national tax. Please explain your answer.**

HOPS note planning authorities tended to be in favour of a local tax, on the basis that housing markets, land values, and delivery barriers vary significantly between areas. We do note that local operation brings challenges, including resourcing pressures, valuation costs, and potential inconsistency across authorities.

A national framework with local discretion could offer a level of consistency.

**e. How should any income be used? Please explain your answer.**

Many authorities noted that any income raised should be ring fenced for housing related purposes, rather than absorbed into general budgets. Priority areas would be infrastructure investment including transport, utilities, and site enabling works, alongside support for affordable housing delivery and measures to improve site viability.

**f. Please provide any evidence of how a tax connected to sites allocated or permitted not being built out would influence build-out rates.**

HOPS do not hold any direct evidence demonstrating that a tax on allocated or permitted sites would consistently accelerate build-out rates.

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**Option 2: Monitor build-out rates and intervene where these are unreasonably slow.**

**3. Should we bring forward powers for reporting on development progress and powers to intervene where it is considered to be unreasonably slow, as set out in option 2? Yes/No/Unsure. Please explain your answer.**

Unsure.

HOPS note mixed views on this question and would defer to individual planning authorities' responses for local context.

There is broad support for more consistent and formalised reporting of development progress, particularly where this can build on existing processes such as housing land audits. Improved information could support better understanding of delivery pipelines and help distinguish between genuinely progressing sites and those that are stalled.

Many authorities were cautious about expanding intervention powers where these could add bureaucracy or legal risk without clear delivery benefits.

**a. Should this include creating a legal framework for reporting on development progress? Yes/No/Unsure. Please explain your answer.**

Unsure.

A statutory framework could provide greater clarity and consistency.

A legal framework could support regular and standardised reporting. This may improve understanding of delivery pipelines and strengthen monitoring through established processes such as housing land audits. It may put a clearer obligation on developers or landowners to provide information, rather than relying on planning authorities to seek updates.

Any framework must be proportionate, streamlined, and closely aligned with existing systems to avoid unnecessary bureaucracy or resourcing pressures. Respondents consistently stress that reporting requirements alone are unlikely to accelerate build-out but could act as a useful enabling measure if designed to support transparency, engagement, and evidence-based decision making rather than enforcement for its own sake.

**b. Should there be a power for planning permission to be revoked, without compensation being payable, where reporting demonstrates that progress is unreasonably slow? Yes/No/Unsure. Please explain your answer.**

Unsure.

HOPS note mixed views on this question and would defer to individual planning authorities' responses for local context.

Several authorities have noted this may put unnecessary legal risks onto the planning authority. There was also concern that revoking permissions on stalled sites could be counterproductive, removing a consent that might otherwise support future delivery without the need to restart the planning process.

**c. How would the pace of development be set and agreed – for example how would reasonableness be measured? Please explain your answer.**

HOPS noted that there may be difficulty in defining a reasonable pace of development given the many external factors and differences in sites.

Should a pace of development be introduced, it would need to be site specific and could be informed by existing evidence, including housing land audits, delivery programmes, local completion rates, and developer provided trajectories.

**d. Please provide any evidence of how reporting on development progress would influence build-out rates.**

There is little evidence to suggest that reporting on development progress would increase build-out rates. Improved and more consistent reporting could support greater transparency, monitoring, and forecasting. This would help authorities to understand delivery blockages and distinguish between progressing and genuinely stalled sites. However, this is not expected to address underlying structural barriers to delivery.

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**Option 3: Reduce procedural time and costs for SME developers.**

**4. Should we bring forward legislation to amend the development hierarchy, to enable us to introduce more streamlined planning processes on planning applications for smaller sites, as outlined in option 3? Yes/No/Unsure. Please explain your answer.**

No

There was limited support for legislative change. While there is broad recognition of the importance of supporting delivery on smaller sites and by smaller developers, HOPS are not convinced that amending the development hierarchy through legislation would, in itself, meaningfully accelerate build-out.

Development impacts are determined more by site characteristics than by scale alone. Smaller sites can still raise complex issues, including environmental constraints, flooding, access, or infrastructure impacts, which require appropriate assessment. A blanket legislative approach based on size is therefore seen as over simplistic and potentially risky.

Locally applied approaches would be more effective and flexible. Legislative change risks unintended consequences without clear evidence of delivery gains.

**a. How many categories should be defined by the development hierarchy, and what size of development should these cover? For example, four categories, that define major, medium, small and very small developments**

HOPS note mixed views on this question and would defer to individual planning authorities' responses for local context.

Introducing additional thresholds was not seen as likely to materially accelerate delivery. Additional tiers could be explored on a discretionary basis, but this was not favoured by all planning authorities. Application of policy and information requirements in practice is more important than redefining categories. Clearer guidance and proportionate assessment would be more effective than

restructuring the hierarchy, and that rigid size-based categories risk oversimplifying decision making without clear delivery benefits.

**b. What are your views on, and do you have any evidence relevant to whether creating more categories in the development hierarchy might have an overall effect of speeding up or slowing down build-out of housing?**

HOPS do not have any evidence that would show how this could speed up or slow down housing delivery. Some planning authorities noted that additional categories could allow for more proportionate information requirements and potentially streamline decision making on smaller sites. Several authorities noted that creating more categories could add complexity rather than reduce it.

Build-out rates are driven primarily by market demand, financing, infrastructure provision, and site viability.

**c. What are your views on whether we should review and rationalise policy requirements in NPF4 for smaller housing sites, or introduce a new rules-based policy for smaller housing sites?**

Several planning authorities recommended reviewing existing policy requirements over introducing a new policy for smaller housing sites. Adding a separate rules-based regime risks oversimplification and inflexibility, particularly given the wide variety of site contexts and constraints that can affect even small developments.

There is broad support for ensuring that policy requirements are applied proportionately, with clearer guidance on what information is genuinely necessary for smaller sites. Respondents suggest that refining how NPF4 policies operate in practice rather than creating new rules would better support delivery while maintaining appropriate consideration of design quality, environmental impacts, and placemaking.

**d. Do you think that further advice on planning application information requirements would support faster delivery of housing on smaller sites? Yes/No/Unsure. Please explain your answer.**

Unsure.

HOPS note mixed views on this question and would defer to individual planning authorities' responses for local context.

Where supported, further advice is seen as potentially helpful in improving clarity and consistency around what information is required, reducing uncertainty for applicants and helping avoid delays caused by requests for additional material.

There is concern about the gap between statutory validation requirements and the information needed to properly assess proposals against policy, and some argue that this creates inefficiencies regardless of guidance. In this context, clearer advice could assist, but only if aligned with how planning authorities actually assess applications.

- e. Do you think there are any further options that creating more categories in the development hierarchy might open up, further to those outlined in option 3? Yes/No/Unsure. Please explain your answer.**

Unsure.

HOPS note mixed views on this question and would defer to individual planning authorities' responses for local context.

Increasing the number of categories would not unlock new or meaningful mechanisms to accelerate delivery beyond those previously mentioned. Potential opportunities are mostly based on existing ideas, such as more proportionate information requirements, differentiated processing routes, or prioritisation of certain site types.

- f. Do you think that this measure would have any particular benefits for SME housebuilders? Yes/No/Unsure. Please explain your answer.**

Unsure.

HOPS note mixed views on this question and would defer to individual planning authorities' responses for local context.

Changes to the development hierarchy alone are unlikely to address the main barriers faced by SMEs. Factors such as financing availability, infrastructure costs, utilities connections, and market conditions have a lot more influence than the planning hierarchy.

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#### **Option 4: Diversify the output from deliverable land**

- 5. Do you think that encouraging more diverse housing outputs across the pipeline of deliverable housing land would increase the pace of build-out? Yes / No / Unsure. Please explain your answer.**

Unsure

HOPS note mixed views on this question and would defer to individual planning authorities' responses for local context. Some authorities have noted it may have potential to broaden market appeal and reduce reliance on a narrow buyer type, particularly on larger or longer phased sites. A wider mix of house types and tenures is viewed as more likely to match varied household needs, which could help maintain sales momentum and support steadier build-out.

There were some concerns that imposing diversity requirements without regard to local market demand or site viability could discourage investment or complicate delivery. Some note that diversification alone cannot overcome constraints such as financing conditions or infrastructure capacity.

Encouraging diversity may support build-out in the right circumstances, especially on larger sites. Any approach should take into account local evidence on housing need and demand.

**a. Should we use legislation to require a diversity of housing types and tenures on sites above a certain threshold? Yes/No/Unsure. Please explain your answer.**

Unsure.

HOPS note mixed views on this question and would defer to individual planning authorities' responses for local context

While there is recognition that greater diversity can support build-out by broadening market appeal, many were unsure whether legislation is the most effective or proportionate tool to achieve this.

A concern noted was that legislating for diversity risks being inflexible and slow to adapt to local market conditions and site-specific viability considerations. Thresholds, tenure mixes, and housing types need to be informed by local evidence. Statutory requirements could inadvertently undermine delivery if they impose obligations that are not viable in certain contexts.

There may be merit in requiring diversity on larger strategic sites but planning authorities in general favour stronger policy direction, guidance, or locally driven requirements over legislation.

**b. Do you think that this measure would have any particular benefits for SME housebuilders? Yes/No/Unsure. Please explain your answer.**

Unsure.

HOPS note mixed views on this question and would defer to individual planning authorities' responses for local context

There could be potential advantages, particularly where diversity requirements on larger sites open opportunities for SMEs to deliver specific housing types or tenures that volume builders may not prioritise, such as smaller units.

SMEs are less likely to benefit directly, as they typically operate on smaller sites that would fall below any threshold where diversity requirements may apply. Any benefits to SMEs would be indirect. Targeted support, clearer guidance, and reduced procedural complexity are more likely to assist SME housebuilders than legislative requirements focused on diversity of housing outputs.

**c. Please provide any evidence of how increasing diversity would influence build-out rates**

HOPS note that there is limited direct or quantitative evidence demonstrating that increasing diversity of housing types and tenures consistently accelerates build-out rates. Planning authorities do not hold data linking diversity requirements to faster delivery.

HOPS note that a greater mix of housing types and tenures can help broaden market appeal, particularly on larger sites, by reducing reliance on a single buyer group. Planning authorities have noted industry evidence suggests that similar development can slow sales once demand for a specific

product type is saturated, whereas diversity may help sustain momentum across different market segments.

Increased diversity may support steadier build-out in certain circumstances. However, its impact is highly context dependent and influenced by local market demand, finance, and infrastructure. Diversity is seen as a potential contributing factor rather than a decisive lever, and unlikely to drive faster build-out on its own without wider enabling measures.

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### **Further options**

#### **6. Do you have any other suggestions for measures which could use levers available, or which could be put in place through the planning system, to deliver more homes at pace?**

Planning authorities have suggested that greater up-front certainty, including clearer site requirements, delivery expectations, and constraints at allocation stage will reduce later delays and dispute.

HOPS would highlight the importance of infrastructure funding and coordination, noting that transport, utilities, and education capacity are among the most significant barriers to build-out. Suggestions include earlier infrastructure investment, forward-funding models, and stronger alignment between planning, housing, and infrastructure programmes to de-risk sites and improve viability.

HOPS support process improvements rather than new regulatory burdens, such as better alignment of planning timeframes with housing land audits, clearer validation and information requirements, and measures to prevent repeated extensions of planning consents without genuine delivery intent.

Planning can support delivery but cannot drive it alone. Measures that improve certainty, reduce risk and unlock infrastructure are viewed as far more impactful than additional penalties or procedural complexity. Resourcing and investment are critical to speeding up build-out at scale.

#### **a. Please provide any evidence of how these potential measures would influence build-out rates.**

There is little direct evidence demonstrating that planning system measures alone would significantly accelerate build-out rates. HOPS stress that build-out is primarily driven by market conditions, infrastructure availability, and funding rather than planning controls in isolation.

HOPS note that measures such as clearer site requirements at allocation stage, stronger alignment between development plans and delivery programmes, and improved infrastructure coordination have been shown in practice to reduce delay, improve certainty, and de-risk sites, which can support steadier delivery. However, these effects are described as enabling rather than transformative, helping delivery where other conditions are favourable rather than overcoming fundamental constraints.

Without accompanying investment in infrastructure, adequate resourcing of planning authorities, and stable market conditions, these measures are unlikely on their own to produce a material or sustained increase in build-out rates.